

Preparing for High Energy Costs

Low-income customers that meet income guidelines are eligible for home heating financial assistance through LIHEAP. Applications are accepted annually on a first-come, first-serve basis at your local Community Action Agency from November 1 through April 30 (October 1 for households with elderly or disabled resident).

Under Iowa law, utilities may not disconnect electric and gas services of LIHEAP-certified customers annually from November 1 through April 1. To apply for LIHEAP, contact your local Community Action Agency.

Customer contribution funds required of energy utilities in Iowa are another potential source of winter heating assistance for low-income customers.

Voluntary contributions are collected from utility customers and funds are provided to local assistance agencies to help low-income customers in their area pay their winter heating bills. Contact your local Community Action Agency or utility to find out more about customer contribution funds that may be available in your area.

Price Factors

Very high summer temperatures and very cold winter temperatures can cause natural gas and/or electric rates to rise from increased energy usage and demand.

Hot weather during the nation's cooling season increases demand for both electricity and natural gas as many electric generating plants used in times of peak demand are fueled by natural gas.

The commodity price of natural gas is competitive and fluctuates as dictated by the competitive market. Investor-owned natural gas utilities charge customers the same price they pay for natural gas supplies.

The IUB works with these utilities to minimize price

volatility for customers. Electricity can cost more in times of high usage when utilities have to use more expensive generators or purchase additional power to meet demand. The utilities offer budget billing to residential customers as a tool to reduce price volatility.

Iowa's investor-owned electric utility rates include higher rates in the summer and lower rates in the winter. These rates reflect the higher costs of producing electricity during peak summer cooling months when electric use and demand soars.

Electric utilities have to build, maintain, and operate these generation facilities to meet all demand including occasional summer peak demand. These costs are included in rates paid by customers even though historically peaking plants are only used part of the time. Increased customer efficiency can reduce the need to build additional generating plants.

Federal environmental regulations may result in increasing year-round use of higher-cost peaking plants and reduced use of lower-cost base load generating plants that have higher emission rates.



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Iowa Utilities Board

Iowans have many resources available to help them combat high energy costs.

\$ Energy Saving Measures

Low cost or no cost ideas:

- Reset thermostats to a few degrees warmer in the summer and cooler in the winter.
- Turn off unnecessary lights and appliances.
- Replace incandescent light bulbs with compact fluorescents or LED bulbs.
- Change furnace and central air filters often.
- Lower hot water heater temperature to a reasonable setting.
- Keep obstructions away from heat and cooling vents and registers.
- Weather seal doors and windows.
- During summer or winter months, open or close doors, windows, and drapes to effectively block or use the sun's heat.

Many energy-efficient measures require you to spend some money to achieve energy savings, but those savings may far exceed the cost over the life of the product.



Energy-efficient investments:

- New more efficient heating and/or cooling systems (utility or manufacturer may offer rebates).
- Programmable thermostat.
- New more efficient hot water heater.
- Replacement Low-E coated windows.
- Additional or replacement insulation.
- New high efficiency appliances such as a washer or dryer, refrigerator, or stove.

Look for an ENERGY STAR label when purchasing new appliances to assure energy efficiency. More information about the ENERGY STAR program for improving energy efficiency is available at www.energysaver.gov. Another resource for energy efficiency information is the Iowa Energy Center at (515) 294-8819 or www.iowaenergycenter.org. Your local utility is a good resource for achieving your energy efficiency goals. Some utilities offer cash rebate incentives for energy efficiency purchases. Some utilities also offer free energy assessments.

Contact your utility for more information:

- Interstate Power and Light Company (Alliant), 1-800-255-4268, www.alliantenergy.com
- MidAmerican Energy Company, 1-888-427-5632, www.midamericanenergy.com
- Black Hills Energy, 1-888-890-5554, www.blackhillsenergy.com
- Liberty Utilities, 1-855-872-3242, www.libertyutilities.com
- Or contact your local municipal or cooperative utility company.



Low-Income Assistance

Low-income customers who qualify may apply for the Weatherization Assistance Program to help reduce home heating and cooling costs by contacting their local Community Action Agency. If you don't know the telephone number, ask your utility or call the Iowa Utilities Board at 877-565-4450.

Under the U.S. Department of Energy (DOE) guidelines, a household is eligible for this federal energy efficiency program if a member of the household receives Supplemental Security Income or Aid to Families with Dependent Children, or is certified for the Low Income Home Energy Assistance Program (LIHEAP). A household is also eligible if its income is at or below 200 percent of the Federal Poverty Guidelines.

Homes in this program receive an energy audit to determine costs, and energy efficient measures may include insulation upgrades, replacement of heating systems or water heaters, and addresses indoor air quality and other client health and safety issues, including safety checks of all combustion appliances. The Weatherization Program offers qualified households financial relief by improving energy efficiency, educating consumers about energy use, and providing methods to reduce energy consumption.